GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:2038
ANSWERED ON:09.03.2001
LOSSES TO RASHTRIYA ISPAT NIGAM LTD.
SATYAVRAT CHATURVEDI;SUNDER LAL TIWARI

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Disinvestment Commission has suggested the Government to write off the entire accumulated losses of the Rashtriya Ispat Nigam Ltd.;

(b) if so, the details thereof; and

(c) the reasons for not taking any decision in this regard so far?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) & (b) The Disinvestment Commission has recommended that the Government should write-off the entire accumulated losses of RINL against its entire `Share Money Pending Allotment` and `Preference Share Capital` and part of equity capital to keep the company from being referred to BIFR and to clean up its balance sheet.

(c) This case involves extensive consultation with the administrative Ministry, and other concerned departments/ministries. A final decision for financial restructuring and disinvestment of Government equity in any PSU is taken after examination of all the issues involved.